**Revival of Industrial Sector in Jammu and Kashmir**

2490. SHRI T. S. BAJWA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have any proposal to revive the ailing Industrial Sector of Jammu and Kashmir especially Jammu during the Tenth Five Year Plan; and

(b) if so, the details thereof alongwith the amount to be allotted during this period?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYA SAGAR RAO): (a) and (b) The Union Government has granted Industrial Incentive Package for the State of Jammu and Kashmir. The package of incentives for Jammu and Kashmir does not provide for revival of ailing Industrial Sector in Jammu and Kashmir during the Tenth Five Year Plan. Hence, no amount has been allotted under the package for revival of the ailing industries in Jammu and Kashmir, during the Tenth Five Year Plan. Under the existing policy on industrial sickness, the Board for Industrial and Financial Reconstruction (BIFR), a quasi-judicial body, deals with the problem of sick industrial companies. Revival of sick industrial units is also undertaken by amalgamation/merger of sick units with healthy units and this is encouraged by granting income tax concession, etc. to healthy units, which undertake such amalgamation. The Reserve Bank of India has also issued guidelines to banks and financial institutions for strengthening the monitoring systems and arresting industrial sickness at the incipient stage.

**Impact of FDI on industrial output**

2491. SHRI SURESH PACHOURI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the impact of FDI on the growth of industrial output;

(b) how far the FDI has been able to increase productivity in the industrial sector; and

(c) the details of measures taken by Government to make FDI more effective to strengthen industrial sector in India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYA SAGAR RAO): (a) to (c) Foreign Direct Investment (FDI) directly impacts on output growth in India by augmenting the available investible capital. FDI has a greater impact on higher efficiency and productivity because it typically serves to increase competition in markets, bring in new technologies, and encourage skill acquisition amongst domestic labour. Foreign Direct Investment serves as a tool for integrating India into global production chains. Recognising the importance of FDI in the economic growth of the country, Government has put in place a liberal FDI policy where FDI upto 100% is permissible on the automatic route in most sectors except for a small negative list.

**Quality Council of India**

2492. SHRI B. P. SINGHAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the criteria for selecting members of the Quality Council of India (QCI);

(b) whether the Secretary General, QCI was ever informed through a detailed questionnaire that malpractices have become rampant in granting of ISO certificates;

(c) if so, his response to that questionnaire;

(d) whether QCI is not the policing body to monitor the ISO certification and Accreditation process;

(e) if so, the policing body for such monitoring; and

(f) whether Government are aware that without such an independent policing body, the entire process and Indian ISO Certificates will lose their credibility in World Trade?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) Members of the Quality Council of India (QCI) are selected in accordance with the Memorandum of Association and Rules and Regulations of the Quality Council of India.